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COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

June 17, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**REQUEST FOR APPROVAL TO EXECUTE SERVICE AGREEMENTS WITH VARIOUS
SERVICE PROVIDERS TO CONTINUE MISSION-CRITICAL MEDICAL AND
FACILITY SUPPORT SERVICES**
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Delegate authority to the Director of Health Services, or his designee, to execute, upon review and approval of County Counsel, 21 new form agreements, with the various service providers listed on Attachment B, effective July 1, 2004 through June 30, 2005, for a total County obligation of approximately \$1,718,651, with provisions for a month-to-month extension through June 30, 2006, to continue mission-critical medical and facility support services previously funded through purchase orders.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION:

The purpose of this recommended action is to enable the Department of Health Services (DHS) to continue uninterrupted, mission-critical medical and facility support services currently obtained through the purchase order process. Such services include, but are not limited to, maintenance and repair of patient diagnostic equipment, maintenance and repair of various energy equipment/systems, and specialized surgical patient monitoring services.

By statute, the County's Purchasing Agent is limited by a specific dollar amount, in the amount of services he is allowed to purchase without specific Board approval. The authority to contract for services beyond a specific dollar threshold rests with your Board. Each of these identified critical services has reached or exceeded the Purchasing Agent's statutory authority and now requires Board approval.

DHS is seeking Board approval to enter into these new agreements to maintain and pay for the provision of these necessary services.

Implementation Of Strategic Plan Goals

The proposed recommendation supports the Department's Strategic Plan proposal for flexibility in administration of contracts and acceptance awards, and is consistent with the requirements of the Chief Administrative Office.

FISCAL IMPACT/FINANCING:

The total funding for the continuation of services under these agreements for July 1, 2004 through June 30, 2005, is estimated to be approximately \$1,718,651 comprised of net County costs and \$60,000 in federal grant funding from Centers for Disease Control and Prevention for the County's Lead Elimination Plan. These funds are included in the Fiscal Year (FY) 2004-05 proposed budget, and will be requested in future fiscal years.

Specific contract expenditures for all of the agreements are identified in Attachment B.

FACTS AND PROVISIONAL/LEGAL REQUIREMENTS:

Applicable provisions of State statute and County Charter give the Purchasing Agent the exclusive authority and responsibility to purchase all furnishings, materials, supplies, fixtures, equipment, and all other personal property required by County departments. Concurrently, the Purchasing Agent's authority includes engaging independent contractors for services up to \$100,000. Unless services are required on an as-needed or emergency basis, the procurement of services under a purchase order is usually obtained through a bid solicitation process.

A variety of services are provided through the purchase order process at all DHS facilities. The purchase order amounts for services listed in Attachment B have reached or exceeded the Purchasing Agent's statutory authority. DHS is seeking Board approval to enter into new agreements for such services through June 30, 2005, with an option to renew for an additional year, on a month-to-month basis, through June 30, 2006. The additional time is needed because there is a critical need to maintain these services without interruption and the lengthy process associated with the solicitation and contract award process. Therefore, to continue these services, DHS must contract with the providers of services. DHS plans to conduct a competitive solicitation process for services provided under these agreements, where required. In the event that additional time is necessary to complete such solicitation, the Director shall extend these agreements on a month-to-month basis through June 30, 2006.

The form agreement shall contain the County's standard terms and conditions, including a provision for termination with 30-day prior written notice by County, and will be reviewed and approved by County Counsel prior to execution.

The Department has determined that these are not a Proposition A agreements because the services are provided on a part-time or intermittent basis, and therefore, provisions of the County's Living Wage Program do not apply.

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The administration of each facility covered under the service agreements will monitor the contractor's performance and assure compliance with the terms and conditions of such agreements.

Attachments A and B provide additional information.

CONTRACTING PROCESS:

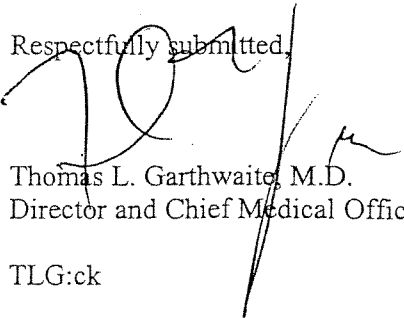
Current County policy requires timely submission of contracts for Board approval. However, these contracts were not placed on the Board agenda three weeks in advance of their effective date, as required under this policy, because of critical staff shortages to collect and evaluate the programmatic and fiscal information required to determine the appropriateness of converting certain purchase orders to a County agreement.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The approval of this action will allow the DHS to continue mission critical medical and facility support services without interruption.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,



Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:ck

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

BLCD3439.CK

SUMMARY OF AGREEMENTS

1. TYPE OF SERVICES:

The programs provide for a variety of mission-critical medical and facility support services without interruption for all DHS facilities, whereby such services were previously provided under a purchase order issued by the Purchasing Agent.

2. AGENCY ADDRESSES AND CONTACT PERSONS:

See Attachment B.

3. TERMS:

July 1, 2004 through June 30, 2005, with provisions for an extension, on a month-to-month basis, through June 30, 2006.

4. FINANCIAL INFORMATION:

The total estimated County maximum obligation for Fiscal Year (FY) 2004-05 is approximately \$1,718,651, which is comprised of net County costs and \$60,000 in federal Centers for Disease Control and Prevention funding. These funds have been requested in the FY 2004-05 Proposed Budget, and will be requested in future fiscal years.

5. GEOGRAPHIC AREAS SERVED:

Countywide.

6. APPROVALS:

LAC + USC Medical Center:	Pete Delgado
Harbor-UCLA Medical Center:	Tecla Mickoseff
King/Drew Medical Center:	David Runke
Olive View/UCLA Medical Center:	Melinda Anderson
High Desert Health Systems:	Beryl Brooks
Rancho Los Amigos Nat. Rehab. Ctr.	Valerie Orange
Contract Administration:	Irene E. Riley, Director
County Counsel:	Leela A. Kapur

RECOMMENDED CONTRACTS FOR EXPIRING PURCHASE ORDERS
JULY 1, 2004 THROUGH JUNE 30, 2005

	Vendor	Address	Telephone No.	Service Description	Facility(ies)	Estimated Maximum Obligation
1	ACMI Circon	3037 Mt. Pleasant Street Racine, WI 53404	(805) 807-8307	Maintenance and Repair (Endoscopic Medical Equipment)	OV/UCLA H/UCLA	\$ 76,000 <u>8,851</u> \$ 84,851
2	AGFA CORPORATION	10 South Academy Street Greenville, SC 29602	(864) 421-1603	Maintenance and Repair (Radiology Medical Equipment)	MLK/D RANCHO H/UCLA	\$ 20,491 5,000 <u>73,488</u> \$ 98,979
3	Aloka	10 Fairfield Boulevard Willingford, CT 06492	(888) 782-5652	Maintenance and Repair (Ultrasound Medical Equipment)	H/UCLA MLK/D	\$ 18,836 <u>11,600</u> \$ 30,436
4	Bernard Fainzstein	9194 Otter River Circle Fountain Valley, CA 92708	(714) 953-3386	Maintenance and Repair (X-Ray Medical Equipment)	MLK/D	\$ 116,460
5	Cardiovascular Plus, Inc.	Riverside, CA 92508	(909) 789-4356	Autotransfusion/Blood Recovery (Services and Supplies)	MLK/D	\$ 40,000
6	Chart One	228 Airport Parkway, Suite 200 San Jose, CA 95110	(800) 733-2679	Photocopying Services (Patient and Legal Records)	RANCHO	\$ 28,000
7	Datex-Ohmeda, Inc.	3330 Ohmeda Drive Madison, WI 53707	(800) 345-2700	Maintenance and Repair (Various Medical Equipment)	OV/UCLA HD	\$ 31,000 <u>5,300</u> \$ 36,300
8	Diebold, Incorporated	2176 S. Ash Street Denver, CA 80222	(303) 504-4626	Maintenance and Repair (Security Access Control System)	MLK/D	\$40,632

RECOMMENDED CONTRACTS FOR EXPIRING PURCHASE ORDERS
JULY 1, 2004 THROUGH JUNE 30, 2005

Vendor	Address	Telephone No.	Service Type	Facility(ies)	Estimated Maximum Obligation
9 Factory Authorized Medical Scope Repair, Inc.	2859 West McNab Road Pompano Beach, FL 33069	(800) 352-7822	Maintenance and Repair (Fiber Optic Medical Equipment)	RANCHO LAC+USC	\$ 20,000 <u>225,000</u> \$245,000
10 Fischer Imaging	12300 N. Grant Street Denver, CA 80241	(303) 452-2590	Maintenance and Repair (Mammography Medical Equipment)	MLK/D	\$ 17,496
11 Instrumentarium Imaging	300 West Edgerton Avenue Milwaukee, WI 53207	(800) 558-6160	Maintenance and Repair (Mammography Medical Equipment)	OV/UCLA	\$ 13,400
12 J.A. Neurodiagnostics	468 West 4 th Street, Suite 308 San Pedro, CA 90731	(310) 890-3787	Surgical Patient Monitoring (As Needed Basis)	MLK/D	\$ 90,000
13 Karin Pally Associates	607 Strand Street Santa Monica, CA 90405	(310) 399-1921	Consultant (County's Lead Elimination Plan)	H.S.A.	\$ 60,000 (100% CDC federal funding)
14 Lanier Worldwide	5430 Metric Place, Suite 200 Norcross, GA 30092	(678) 824-3400	Maintenance and Repair (Dictation System)	RANCHO MLK/D	\$ 17,000 <u>21,807</u> \$ 38,807
15 National Radiologic Physics	2500 E. Foothill Blvd., Ste. 208 Pasadena, CA 91107	(818) 364-4013	Consultant Services (Compliance Evaluation of Radiology Equipment)	OV/UCLA	\$ 12,405

RECOMMENDED CONTRACTS FOR EXPIRING PURCHASE ORDERS
JULY 1, 2004 THROUGH JUNE 30, 2005

Vendor	Address	Telephone No.	Service Type	Facility(ies)	Estimated Maximum Obligation
16 Pouk and Steinie	2520 Rubidoux Boulevard Riverside, CA 92519	(909) 682-2982	Maintenance and Repair (Electrical Gear)	RANCHO	\$200,000
17 PowerWare	18011 Sky Park Circle, Suite A Irvine, CA 92614	(949) 266-1418	Maintenance and Repair (Power Supply Systems)	OV/UCLA H/UCLA RANCHO	\$ 5,528 7,520 505 \$14,553
18 SC Trane Services	17760 Rowland Street City of Industry, CA	(626) 435-1113	Maintenance and Repair (Chillers)	H/UCLA	\$ 9,006
19 Southern California Boiler	5331 Business Drive Huntington Beach, CA	(800) 775-2645	Maintenance and Repair (Boilers)	H/UCLA RANCHO	\$ 10,450 160,000 \$170,450
20 Toshiba Medical	15279 Alton Parkway, Suite 300 Irvine, CA 92618	(949) 453-0202	Maintenance and Repair (Various Medical Equipment)	MLK/D	\$246,876
21 York International	11165 Knott Avenue, Suite D Cypress, CA 90630	(714) 934-4324	Maintenance and Repair (Chillers)	RANCHO	\$125,000
ESTIMATED TOTAL:					\$1,718,651

SUMMARY OF FUNDING SOURCES:

Net County Costs: \$1,658,651
 CDC Federal Funding: 60,000
 Estimated Total: \$1,718,651

LEGEND:

H/UCLA: Harbor-UCLA Medical Center
 LAC+USC: LAC+USC Medical Center
 MLK/D: King/Drew Medical Center
 OV/UCLA: Olive View/UCLA Medical Center
 RANCHO: Rancho Los Amigos National Rehabilitation Center
 HD: High Desert Health System